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C O N F I D E N T I A L SECTION 01 OF 03 BEIRUT 001166

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TAGS: [IS](#) [KDEM](#) [KPAL](#) [LE](#) [PGOV](#) [PREL](#) [SY](#)
SUBJECT: MGLE01: FM SALLOUKH REVIEWS ISSUES IN ADVANCE OF
WASHINGTON VISIT

REF: A. SECSTATE 57036
[1](#)B. SECSTATE 57503
[1](#)C. SECSTATE 56323

Classified By: Ambassador Jeffrey Feltman. Reason: Section 1.4 (b) and (d).

SUMMARY

[1](#)1. (C) Foreign Minister Fawzi Salloukh said this coming week's visit to Washington and New York by PM Siniora and four of his ministers is well-timed and should produce helpful results. The pro-Syrian foreign minister insisted he welcomes the support of Washington in Lebanon's transition to democracy, but complained about Lebanon's media criticism of the Syrian regime, arguing that such criticism would delay normal bilateral relations between Lebanon and "sisterly" Syria. Salloukh will assist in building support for the planned April 22 meeting with the Core Group and is hopeful the meeting will allow participants to move forward with an international donors' conference in the next few months. The Ambassador reiterated the importance of addressing and resolving our extradition request for the TWA 847 terrorists, the return of USCIT minor Kelsey Klotz, and the extradition of USMC deserter Wassef Hassoun. Demarches dealing with increased humanitarian assistance to Palestinian refugees, U.S. policy toward the new UN Human Rights Council, and the unsuitability of Venezuelan representation on the UN Security Council were also delivered and explained. End summary.

[1](#)2. (SBU) Lebanon's Foreign Minister Fawzi Salloukh met with the Ambassador and poloff at the Foreign Ministry on April

[1](#)13. Ramy Mortada, former Lebanese Consul General in New York and current Director of MFA staff, attended the meeting. FM Salloukh is one of the leading Shia members of the government. FM Salloukh was one of the five Shia ministers who boycotted the Siniora cabinet for seven weeks following the assassination of Gebran Tueni on December 12, 2005.

Economic Reform

[1](#)3. (C) FM Salloukh indicated next week's meetings in Washington and New York would take place in an improved spirit of cooperation among the often adversarial members of the Siniora cabinet. He said the most recent cabinet session, which discussed economic reform, was an "objective and calm" exchange of views in which all the members participated.

[1](#)4. (C) He then described a rather convoluted vetting process for the government's draft reform plan. Following discussion by the cabinet and preparation of "explanatory papers" that would provide greater detail, Salloukh indicated

the plan would then be subject to a "dialogue" with the public sector, which he said would include unions, government workers, non-government organizations, and municipalities, so that Lebanon's public could be "educated about the proposed reforms and their long-term benefits." Following the dialogue, the plan would return to the cabinet for further discussion, before finally being sent forward to Parliament. He indicated that parliamentary action will include discussion in the appropriate committees, followed by debate on the floor of the assembly. When asked how long this process would take, Salloukh remarked, "it may take some time, but it is better than disagreement."

15. (C) Following this rather obtuse explanation, the Foreign Minister voiced optimism that the planned April 22 meeting of the Core Group would expedite preparations for the highly-anticipated international donors' conference. Salloukh promised to speak with the diplomatic representatives of those countries involved to emphasize the importance the government of Lebanon is placing on this issue. He said the presence of Minister of Finance Azour, Minister of the Economy and Trade Haddad, and Central Bank Governor Salameh in Washington this week could only improve the odds that important progress will be achieved.

16. (C) In a final comment on economic matters, the foreign minister said that at the next meeting the cabinet would discuss the national power monopoly, Electricite du Liban, which he said annually absorbs USD 700-800 million in subsidies. Salloukh commented that everyone in the government recognizes the considerable strain this places on the country's budget. Salloukh stated that if sufficient efficiencies can be realized in this sector, the need for increased taxes would dissipate, thus eliminating one of the

BEIRUT 00001166 002 OF 003

most serious public criticisms of the government's economic reform plan.

MIXED SIGNALS FROM SYRIA TO SINIORA

17. (C) When questioned about the on-again, off-again signals from Syria regarding the proposed visit of PM Siniora to Damascus, Salloukh argued that bilateral discussions could not take place until "the media war ended," referring to the steady stream of stories in the press associated with the March 14 movement that are critical of Syrian pressure and intentions against Lebanon. When informed that such criticism was the proper role of a free press in a democratic society, the foreign minister simply repeated that anti-Syrian criticism "had to cease." Concerning Syria's responsibility to respond to the diplomatic overture from the Siniora government, as authorized by the National Dialogue process, FM Salloukh argued, "...when the situation calms, all issues will be taken into consideration."

18. (C) Salloukh said he anticipated some type of response from Syria next week, but also argued that as "sisterly" countries, Lebanon and Syria would always enjoy a close relationship based on economic ties and family relationships. He tempered that statement with an assurance that Lebanon would always insist, however, that it was a sovereign and independent country.

LONG STANDING CONCERNS

19. (SBU) The Ambassador re-emphasized USG's serious concern regarding the lack of progress on several important issues, specifically: the extradition of TWA hijackers Mohammod Ali Hamadei, Hasan Izz-al-Din, Ali Atwa, and Imad Mughniyah; the expeditious return of USCIT minor Kelsey Klotz; and the extradition of U.S. military deserter Wassef Hassoun.

110. (SBU) FM Salloukh argued that Lebanon's 1991 amnesty

law made the extradition of the TWA 847 terrorists impossible, but when asked whether Lebanon's obligations under international anti-terrorism conventions didn't supersede the amnesty law, Salloukh stated that such determinations were the purview of the country's Constitutional Council. When the Ambassador reminded the minister that such a determination would be difficult because President Lahoud had held up appointments to that appellate level court, Salloukh implied the matter was essentially out of his hands.

¶11. (SBU) Concerning the Klotz case, FM Salloukh expressed surprise that it still remained unresolved. Initially claiming he had done all he could do, the foreign minister then promised to look into the matter once again. Salloukh maintained he could not understand the inability of the security services to bring about the child's return.

¶12. (SBU) FM Salloukh indicated he was aware of the Wassef Hassoun case, asked whether the fugitive was still in the Tripoli area in north Lebanon, and said he would look into the matter.

ASSISTANCE TO PALESTINIAN REFUGEES

¶13. (SBU) The foreign minister expressed strong support of the recent U.S. decision to increase humanitarian assistance to the Palestinian refugee population. He recalled that humanitarian conditions in the 12 refugee camps located in Lebanon were terrible and he asked how much of the increased aid was specifically earmarked for the refugees in Lebanon. Salloukh said he feared that much of the increased aid would flow to the politically important occupied territories, rather than to refugees in the neighboring countries. Salloukh said he would be bringing this matter up when he was in Washington.

VENEZUELA

¶14. (SBU) FM Salloukh listened carefully to the U.S. reasons why Venezuela's request to join the UN Security Council later this year should be opposed. He informed the Ambassador that although a firm decision had not yet been reached by the Lebanese government, he understood the USG arguments and would be discussing the matter with PM Siniora

BEIRUT 00001166 003 OF 003

in the coming weeks.

¶15. (SBU) The demarche concerning USG policy toward the new UN Human Rights Council was delivered to the ministry earlier in the week, but Minister Salloukh had no response.

LEBANON'S MISSING BANK DIRECTOR

¶16. (SBU) In closing, FM Salloukh informed the Ambassador, that despite legal complications, he was confident the government of Brazil would soon turn over the former director of scandal-plagued Al Medina Bank, Rana Koleilat, to Lebanese authorities. He said the two countries had excellent relations due to the presence of several million citizens of Lebanese ancestry, and the problems, including a claim of Irish citizenship by the felon, would soon be resolved.

FELTMAN